#### Absolute Essential...







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#### A MESSAGE FROM OUR FOUNDER

### "Sustainability"

- is it a fancy word that no one understands, or is it the definition of a solution that can save the world?

34 years ago, I dreamed of creating a sustainable business that positively impacts people's lives, from the farmer/producer to the consumer and all the way through the value chain. My aim was to create a better planet through an offer that aligned with my values and ethics; a global multi-million dollar business with a smaller footprint.

You may wonder why does a young woman, without any means, find the passion for this cause? And yes, a significant event in my life focused me on this journey; it happened back in 1982.



### A MESSAGE FROM OUR FOUNDER

This report is intended to demonstrate our ethics, show our journey and foremost to inspire, challenge complacency and change the narrative.



"To match the speed at which the world was changing, I chose the profit-for-purpose business model. In 1988 my motto became – trade not aid."

While travelling through Africa, the experience of our enhanced well-being in the western world at the expense of the producer/farmers communities was confronting. That moment when the woman took my hand and led me to a tent in the desert, asking for assistance with her family's health and living conditions I knew nothing about. She expected me to help because of my skin colour; I listened to the story of corruption, greed, not paid for their work well enough to maintain a living. I saw the poverty that the corrupt extraction of culturally vital ingredients caused in this community. I felt dissolution, I also felt embarrassed having been part of something that was simply not fair, not being fair made me feel anger.

That moment changed my life; I thought there must be a better way.

To match the speed at which the world was changing, I chose the profit-for-purpose business model. In 1988 my motto became trade not aid.

To demonstrate our ethic, we created this sustainability report; it includes a compact summary of our journey and commitment to "trade not aid" - to inspire, challenge complacency and change the narrative.

We have been focused so much on the doing, not the "doing for the reporting" or "gathering of trophies", so please excuse the lack of metrics. We recently adopted the metrics Global Responsibility Index (GRI) and Sustainable Development Goals (SDG) so we can compare to others.

We're so glad this shared framework exists now, we're not on our own using the roadmap we started developing 28 years ago. For fun, I've included a copy of our sustainability plan from 12 years ago (Appendix 1).

By sharing these metrics and common reporting standards now we can measure our progress in two years time, our commitment is to highlight the practices that foster **fair global trade**.

Globalisation should be a positive opportunity all can benefit from when our ethics are aligned. Is it that hard to have global ethics aligned?

Some people in my fellowship work on projects with galaxies and moons; Wow, I am so concerned about all of us here on earth to make it that place we can all love and enjoy for eternity.



#### OUR STATEMENT ON SUSTAINABLE DEVELOPMENT GOALS (SDG)



The SDGs are an urgent call for action by all countries - developed and developing - in a global partnership. Sustainability has been at the core of Absolute Essential since its inception. For 34 years, we have been slowly implementing projects every year from our Sustainability Plan (Appendix 1) to create a truly clean and conscious business selling products to make a difference, often making choices despite the balance sheet. These projects span from small local initiatives at our operation site in Muriwai, Aotearoa, to working in a country with our growers /producers, ensuring the best ethical and environmentally sustainable practices. As illustrated in this report, our purpose, strategy and business model aim to prevent adverse impacts and focus on improving positive effects on the economy, environment and people.

While our business has weathered the storm of the Covid pandemic over the past 3 years, we have yet to be able to implement some of the projects we had planned nor visit our existing in areas such as Nepal.

In the coming years, we intend to continue strengthening existing relationships with our supplier communities and cooperatives and seek opportunities to support growers and producers in other regions.

Since learning about the **United Nations** Sustainable Development Goals (SDGs) several years ago, these have underpinned our strategic thinking and decision-making on the sustainable development of our business. The SDGs are "an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests." We believe we are having an impact on 14 of the 17 goals illustrated below. That's pretty impactful for a small business in a small country like Aotearoa New Zealand.



#### OUR STATEMENT ON SUSTAINABLE DEVELOPMENT GOALS (SDG)

This is a summary of our own assessment of where our priorities have been.

For the next reporting period we will consider the Stakeholder feedback of priorities and aim to colour the circle in even more.







### ABOUT THIS REPORT

Absolute Essential is a company to watch. Along with 5 national sustainability awards, unique product awards, this first sustainability report and imminent B-Corp certification, the founder is also a fellow in the prestigious Edmund Hillary Fellowship.

## Welcome to Absolute Essential's very first Sustainability Report.

Our impacts on people and our planet have been front and centre in every decision made by <u>Absolute Essential</u>. We have achieved multiple accolades for the work we have completed relating to sustainability, but we have never told our complete story and transparently shared our impacts on the areas most important to our stakeholders.

So we decided it was time.

We have reported in accordance with the **Global Reporting Initiative (GRI)** Standards Global Reporting Initiative for the period of April 1st, 2021, to March 31st, 2022; this period aligns with our financial reporting. Any information included that is outside of this reporting period has been clearly stated. Moving forward, we intend to report every second year for the previous two years.

If you have any questions or suggestions about this report or the information we have included, don't hesitate to contact customerservice@absoluteessential.com.

In addition to this report, we are on our journey to becoming BCorp certified. We've submitted our BIA and are awaiting our assessment by the team. Many actions we are undertaking to achieve this certification address our management approach to the disclosures included in this report.

We did not seek formalised external assurance of this report; we engaged with Sustainability Consultants **Go Well Consulting**, Auckland in producing this report.

As a fellow in the Edmund Hillary Fellowship, our founder is part of a global network of business innovators, entrepreneurs and investors committed to tackling local and global challenges such as climate change and social inequity.



#### ABOUT ABSOLUTE ESSENTIAL

Dr. Bo's vision to make a positive and permanent difference in people's lives still drives the company's ethos today.

"We must restore our climate through better business decisions and lead consumers and suppliers in their decision making", Dr Bo

### Absolute Essential Limited is privately owned by the Hendgen Family Trust, founded in 1988 by Natural Health Practitioner Dr Bo Hendgen, D.O. N.D. A.M.

Bo started with a pledge to source and protect the world's finest natural plant extracts for maximum therapeutic value. Her vision to make a positive and permanent difference in people's lives still drives our ethos today. We meticulously select, distill and extract the finest essential oils to formulate natural products for the most efficacious health and skin care. We source certified organic

or wild-grown ingredients from 32 countries worldwide using 9 cooperative amalgamation points and work directly with producers to support small-hold, eco-conscious farmers and businesses. Our headquarters and sole location of operation is Muriwai Beach, New Zealand, where we process all raw materials at our own certified organic production facility.

We are now well known in the Asia Pacific region for our commitment to balancing efficacy with ethics. We retail globally online and supply to retail markets in New Zealand, Australia, Singapore, Hong Kong, and Taiwan and are moving into the U.S. market in 2022.



#### **SOURCE COUNTRIES**

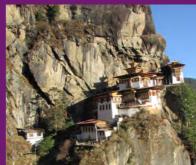


Source subject to change based on supply and efficiencies









































5.

### OUR JOURNEY

Right from the start, we have seen the importance of sustainability and have been early adopters in this space. Over time, we have made many smaller changes as we are committed to developing and implementing initiatives aligned with our sustainability plan, many of which are outlined in this report.





#### OUR **JOURNEY**

- <sup>1</sup> Edmond Hillary Fellowship Award 2020
- <sup>2</sup> Good Magazine Award 2022
- <sup>3</sup> Clean & Conscious Award 2022

\* Following policy changes these certifications have since been cancelled and we are now managing the aspects of these internally

Started looking at sustainability **FOUNDED** of the supply chain

1988

1990

Moved our operations from Auckland city to a 16 acre block at Muriwai Beach

2002

Asure Quality Certified Organic

Fair Trade\*

2005

Packaging change to remove foil packaging and introduced a zero waste in house printing process

BioGro Certified Organic

SAFE Cruelty Free\*

2008



2017

Sustainability Award - Natural Health Products New Zealand - Establishing measurable sustainability practices throughout our business

2016

Sustainability Award - Natural Health Products New Zealand - Rebuilding supply chain for growers after earthquake disaster

2015

Sustainability Award - Natural Health Products New Zealand - Acknowledging our funding initiative for earthquake relief in Nepal

Supreme award in business - Natural Health Products New Zealand (inaugural)

The company and all products became Certified Vegan



2020

We invented a packaging tape free shipping system which won the Innovation award - Natural Health Products New Zealand (Innovation of sustainable packaging solutions)

Edmund Hillary Fellowship – founder was accepted as a fellow 1

2021

We changed our packaging, reducing the box insert, changed to demolition concrete labels and 100% renewable + recyclable packaging

2022

Most Mindful of Transparency Brand - Best of Natural Awards<sup>2</sup>

Silver and Bronze - Clean and Conscious Awards (awarding the best non-toxic, ethical, sustainable and responsible products) <sup>3</sup>

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6.

#### **OUR PEOPLE**

As a human critter, it's the people we work for, the people we buy from and the people we sell to. We accomplish our best work when we collaborate and work in teams.



#### **OUR PEOPLE**



All our employees receive, as an absolute minimum, the living wage.



Across the reporting period we had a total headcount of 12 employees and 7 contractors, with some fluctuations over this time. All employees were New Zealand based, with roles covering production, sales, dispatch, administration, operations and management, and all were on Individual Employment Agreements.

Our contractors covered roles in marketing, production, sales associates and payroll and were based in New Zealand, Australia, Asia and United States. The table provides the breakdown by gender and worker type.

All our employees receive, as an absolute minimum, the living wage. The ratio of the median annual total pay for all full time employees relative to the organisations' highest paid individual was 1:1.4. The average percentage increase in annual pay for full time employees was 12%, the highest paid individual received an increase of 8%.

EMPLOYEES (Head count)	FEMALE	MALE	TOTAL
All Employees	11	1	12
Permanent Employees	10	1	11
Non-guaranteed hours employees	1		1
Full time	10	1	11

CONTRACTORS (Head count)	FEMALE	MALE	TOTAL
All Contractors	4	3	7
Part time	3	2	5
Full time	1	1	2



## OUR GOVERNANCE, STRATEGY, POLICIES, & PRACTICES

Keeping it simple and honest. No greenwash here folks! From demolition concrete labels to reusing plant waste as extraction fuel, sustainable practices run deep through our entire business – and always have.













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During this reporting period, our Founder/CEO was responsible for all decision-making and management of social, environmental, and economic impacts and the review and approval of the information in this report. Our Founder/CEO compiled the data and information presented in this report with support and input from the Absolute Essential operations and customer service team.

In 2022 a non-executive advisory board was established by invitation. The group's composition is 66% female and 33% male, and the competencies covered include sales and marketing, human resources, governance, finance, operations, strategy, and planning. As this advisory board is in its infancy, the group's structure, responsibilities, and operating procedures are still being developed.

## OUR GOVERNANCE, STRATEGY, POLICIES, & PRACTICES

We have been recognised for our commitment to conscious consumption, carbon neutrality and zero-waste initiatives.

Our Founder/CEO is an <u>Edmund Hillary Fellow</u>, a member of the Climate Restoration Group, Registered Medical Council Osteopath, Naturopathic physician, and an Aromatic Medicine Practitioner. She has deep knowledge, skills, and experience in sustainable development; it's been at the heart of the business ethos since its inception. Her commitment is highlighted within the milestones and awards the company has achieved, as shown in the timeline.

Our policies in support of sustainable development are currently not all formally recorded (we're working on that!); however, we hold the highest ethical standards regarding engaging new suppliers and conducting due diligence. We request statements from all new suppliers or factories regarding their commitment to ethical and sustainable practices. Most of our suppliers hold organic or wild-grown certifications that align with our ethics. The formalisation of these policies is integral to our achievement of BCorp.

We are committed to making inquiries into how we can take action to remediate any negative impacts we might have on people and the environment by continuously improving the way we do things. We have a formal complaints process in place if a product causes harm or a customer is unhappy with a product. We are able to conduct batch tracking to allow us to recall products if needed. We have clearly defined communication channels and open and regular communication with our stakeholders, including our customers and suppliers (further detail of this is provided in the Supply Chain section of this report). We have no instances of non-compliance with laws and regulations to report.



#### We hold the following member associations:

Chamber of Commerce, Natural Health Products NZ, Fern Mark, Employsure, HazardCo and Edmund Hillary Fellowship.





#### STAKEHOLDER ENGAGEMENT & DEFINING OUR MATERIAL TOPICS

We engaged with some key stakeholders to gather their feedback and understand what is important to them. To determine our material topics, we identified actual and potential negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across our business activities and relationships.

We engaged with some key stakeholders to gather their feedback and understand what is important to them. This stakeholder engagement process involved a focus group with our employees and contractors, a focus group/email interview with our key wholesale customers, a focus group with fellow Climate Restoration Group members, a consultation with one of our key suppliers, and a survey of our consumer base (receiving 168 responses).

We want to take this opportunity to thank those who took part in this process, providing us with some valuable insight into areas of importance for us and views on sustainability more broadly. This stakeholder activity enabled us to form a list of topics which we then assessed to identify those most material (significant) to our business and prioritise these for reporting on.

Our material topics for this report are as follows:

- · Health and wellbeing
- · Supply chain ethics and human rights
- · Supporting local communities
- Use and management of natural resources
- Packaging and materials to landfill
- Economic Impact
- Missions and energy

The management of these material topics is described along with the topic disclosures in the following pages.







#### SOME INSIGHT ON OUR INDUSTRY

The global aromatherapy products market was valued at USD \$2.3 billion in 2021 and is projected to reach USD \$5.3 billion by 2031, growing at a CAGR of 9% from 2022 to 2031.

SOURCES: MarketWatch, Mordor Intelligence, Yantage Market Research, Absolute Essential, Allied Market Research, Natural Health Products NZ Industry Survey 2019

















The use of therapeutic essential oils in mainstream medicine began in France around the 1920s, but it wasn't until the 1980s that interest really took hold in this modern form of complimentary health care.

#### **GLOBAL AROMATHERAPY MARKET SIZE**

Nowadays the global aromatherapy products market size is valued at USD 2.3 billion (2021) and is projected to reach USD 5.3 billion by 2031, growing at a CAGR of 9% from 2022 to 2031. This growth is expected as a result of increased application and awareness among users as well as the development of more innovative products.

Companies in the global Aromatherapy market do not have a considerable amount of market share, as the market is highly competitive and fragmented. Some leading companies around the world are doTERRA International, Young Living Essential Oils, Mountain Rose Herbs, Edens Garden, Frontier Natural Products Co-op, Rocky Mountain Oils, and Plant Therapy Essential Oils. North America makes up 41.2% of the market, and Asia-Pacific is expected to be the fastest growing region in coming years.

While the covid pandemic caused disruption through the supply chain and export/impact activities of the industry, it also contributed to an upturn in demand as more consumers were seeking complimentary forms of treatment for physical and mental health conditions.

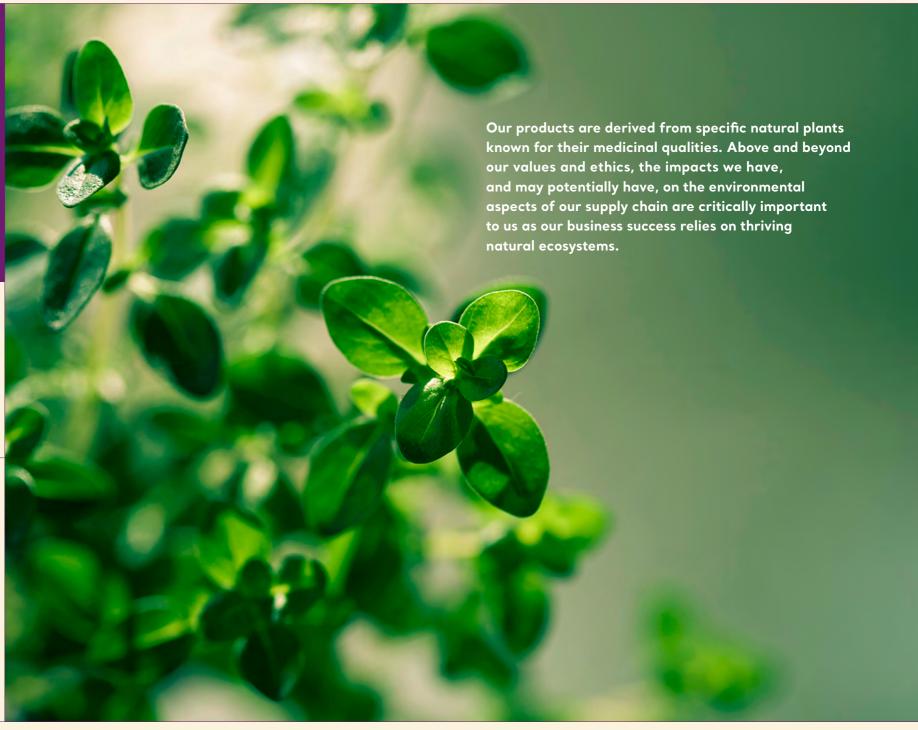
The IRi (Institute of Research Inc.) reported spending on natural health care was up 13% from 2021. People are looking for natural solutions for the following concerns: sleep, cold & flu, mental health, stress, relaxation, digestion, women's health and skincare.

In New Zealand the Natural Health Products industry contributes USD \$2.3 billion to the economy annually, and largely consists of family (29%) and owner-managed (30%) businesses (2019 data).





OUR SUPPLY
CHAIN
- ENVIRONMENTAL
IMPACTS



## OUR SUPPLY CHAIN - ENVIRONMENTAL IMPACTS

99.6% of our products are certified by BioGro as 100% organic. The remaining 0.4% are wild-grown.



99.6% of our products are independently certified by <u>BioGro</u> as 100% organic. This means that those ingredients meet strict criteria in how they are farmed, with the health of the soil and surrounding environment prioritised, and they are GMO-free certified. The remaining 0.4% are wild-grown, and for all our products, we live by the mantra of NO artificial colours, fragrances, chemicals, parabens, petrochemicals, pesticides, silicones, or SLS.

Consumer demand for essential oils can drive over harvesting and exploitation of plants. For example, some species of Frankincense, Sandalwood, and Spikenard are classified on the <u>IUCN Red List of Threatened Species</u>. None of the species we use are those on the IUCN List. To learn more take a look at this Vice documentary.

We educate our growing communities on sustainable harvesting practices. This effort positively impacts the plants and the environment in which they grow. It also means that the communities have a more sustainable and consistent income throughout the year and secure their business for future years. An example is among our Wintergreen growers in Nepal (refer to case study).

While our suppliers' environmental impacts are not documented formally, our Founder/CEO consistently follows a stringent screening process for all new suppliers. This includes a verbal screening to inquire, for example, how the plant is grown, what governance suppliers have in place, and how they ship. Once those initial screening questions have satisfied the criteria, a physical sample is sought, which undergoes basic testing at our Muriwai site and detailed testing by an external provider.

If successful, our Founder/CEO will visit the growing area in person and meet the growers; if this is not possible, then references are sought from others in the industry. In the south, northwest, and central Asia, local NGOs provide governance and regulation around the growing and harvesting activities.

## OUR SUPPLY CHAIN - ENVIRONMENTAL IMPACTS

All distillation occurs at or close to the harvest sites, using reticulated steam, which minimises water use.





Our work to educate the local communities on harvesting practices gives them an awareness of potential adverse environmental impacts and enables self-governance. No harmful ecological impacts have been identified during the reporting period in our supply chain.

Water scarcity is a global issue. 2.3 billion people live in water-stressed countries, of which 733 million live in high and critically water-stressed countries (UN Water 2021). Irrigated agriculture remains the largest user of freshwater, and scarcity of freshwater is a growing problem owing to increasing demand and competition

(FAO 2020). Eight of the countries we source from are considered to have high or very high baseline water stress (World Resources Institute 2019). We will endeavour to collect data on water management or consumption in our supply chain for the next reporting period.

Some growing regions are supplied by high-flow rivers, such as the mountainous area of Nepal, where Wintergreen is grown. In contrast, other regions, such as Somalia, where we source our Frankincense, require planning and infrastructure to capture and store water for production practices.

Our essential oils' production processes do not negatively impact water ecosystems, as only highly diluted water-soluble materials are discharged in the distilling process. All distillation occurs at or as close to the harvest site/s using reticulated steam, minimising water use.

The volume of water used in the distillation process varies considerably between products. In many cases, the reticulated steam becomes a valuable by-product of the distillation process and can be sold, creating added value for the production communities.

Moving forward, we intend to engage with some local partners to establish a mechanism for collecting information about the volumes of water withdrawn and discharged through the downstream production processes.



# OUR SUPPLY CHAIN - SOCIAL & ECONOMIC IMPACTS

Bo visiting a grower's community in Lumbini, southern Nepal, to inspect and assist developing tools for fuel and water usage.



# OUR SUPPLY CHAIN - SOCIAL & ECONOMIC IMPACTS

We can contribute to fair employment and greater job security for workers, particularly women, in rural and marginalised communities.



Many small communities' livelihood relies heavily on their crops' growing success and consistent consumer demand. However, as extreme weather events become more common, the incidents of crop damage and unfavourable growing conditions increase, posing a significant economic impact on those communities.

The artisan nature of our production standards means that hand harvests and traditional manual techniques are highly valued. We can contribute to fair employment and greater job security for workers, particularly women, in rural and marginalised communities, across the globe (Therapeutic plant oils empower women worldwide | Essential Oils by Absolute Essential).

We work closely with many of our growing communities to ensure they have the right tools, resources, and knowledge to help create jobs, establish sustainable farming practices, and maintain sustainable industry development. In this way, we have both direct and indirect economic impacts. Our most recent project has been with the producers in Nepal (refer case study on page 30).

# OUR SUPPLY CHAIN - SOCIAL & ECONOMIC IMPACTS

'Low and slow' extraction produces a higher quality product which fetches a much better price in a niche market. This reduces the amount farmers must grow to produce a quality product.

The aim is to consume less but use higher quality products which have better efficacy.

Other past projects include providing hands-on support, education, and advice to producers and growing communities in Somalia, France, Sri Lanka, India and Bulgaria. We've invested in distilling equipment which has been used by around two dozen of our producers, and educated them on how to use it correctly and efficiently. The aim is always the best quality not the largest quantity.

We've also supported education on the management of essential oil bi-products to enhance the value of the production.

Examples include creating mulch for fields and producing bi-products of floral waters that have additional commercial value. For instance, dried lemongrass left over from the previous days distillation is used as a fuel source for the still and other activities in the villages.

We ensure the growing communities keep around 10% of the product for their own use and are educated on ways to use it to for maximum health benefits.



# OUR SUPPLY CHAIN - SOCIAL & ECONOMIC IMPACTS

We have a rigorous view of right and wrong while remaining sensitive to cultural differences. Families work together, and children will help, but we feel they must be allowed to continue their education as this will assist their and their family's future prosperity. We do not have formal policies or procedures for assessing corruption and bribery in our supply chain, but we work closely with our contacts at the source and NGOs to reduce the risk of it occurring. We have a rigorous view of right and wrong while remaining sensitive to cultural differences. We also work with privately owned producers, particularly those supporting women, to try to have as much positive impact as possible. While we try to standardise this, it is the region and culturally sensitive even within countries operating quite differently, and there are often also castes to consider. We see future opportunities to set up a more structured framework in the regions we source a lot from and when setting up new projects.

We acknowledge that child and forced compulsory labour can be prevalent in some regions we source from. While we do not have a formalised way of detecting this or the means to control it, we spend time during our visits to the local communities to monitor this and raise any concerns with the appropriate managers and NGOs.

As many of our producers are family-run businesses, it is not uncommon for children of the family or villages to be involved in some harvesting or production activities sometimes. It is, however, essential for the children and the families to be remunerated accordingly. Children must be allowed to continue their education, assisting families in their future prosperity.

While this level of support to the local communities has been more difficult in the past two years due to the covid pandemic and travel restrictions, we intend to visit crucial projects that need help next year and continue this work. We also plan to start one or two new projects; we would be very excited to work with my favourite country Bhutan and restart a project in Cambodia which Covid stopped.





12.

### NEPAL - A CASE STUDY

Nepal is special place for us due to its unique climate, aromatic plant species and people's willingness to trust us to help produce a better future for them. The strong religious traditions, firm social structure, and good work ethic make it a good place to do business.



#### Ten of the 109 raw ingredients we source for our products come from Nepal.

1.



Apricot Kernel
Prunus armeniaca

2.



Basil
Ocimum basilicu

3.



Citronella
Cymbopogon wintrianus



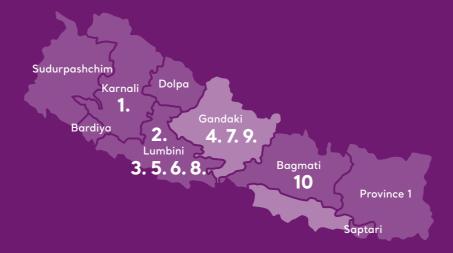
Juniper Berry

Juniperus communis

**5**.



Chamomile German





Lemongrass

Cymbopogon citratus



Wild Mint

Mentha arvensis



Palmarosa Cymbopogon martinii



Wintergreen Gaultheria fragrantissima





Lokta paper

### NEPAL - A CASE STUDY

Since 2012 we have worked with Nepalese communities to establish the growing and harvesting wintergreen industry, which has provided an income to the women and elderly who remain in the villages.



Our founder has travelled to Nepal many times to meet with the growing local communities, cooperatives, and NGOs, as well as provide a considerable amount of support following the earthquakes of 2015 - both financially and by providing first aid and other hands-on support in remote villages.

In the wintergreen growing regions of Nepal, it is common for able men to travel to developed countries of Asia and the Middle East for work (often experiencing conditions of modern slavery) to earn an income to provide for their families back home.

Since 2012 we have worked with Nepalese communities to establish the growing and harvesting wintergreen industry, which has provided an income to the women and elderly who remain in the villages, who would otherwise have none.

We are connected with the <u>Community Forest User</u>
<u>Group</u> program to create a mutual alliance towards
sustainable harvesting and direct community benefit.
We contracted a nursery to grow seedlings which
are then given to farmers to ensure the suitable botanical
species are being planted and are GE-free.

We also work with local education providers to teach the communities how to harvest the wintergreen sustainably to enhance growth and production. We provided a portable distillation unit to share between two dozen producers and ensured it was used effectively. This equipment is now wholly owned by the producers.

You can read more about this story through these blogs about our <u>organic wintergreen product</u> and <u>supporting fair trade in Nepal</u>.

13.

## COMMUNITY & CHARITABLE SUPPORT

We are passionate about providing help for children and women. We are happy to be in a position to make regular donations to education funds around the world.



#### COMMUNITY & CHARITABLE SUPPORT

We are a very socially responsible company, and making good happen is a pathway to thriving as a business. We are a very socially responsible company, and making good happen is a pathway to thriving as a business. In addition to the work with our immediate suppliers, we also support their communities in other ways.

We fundraised and managed to deliver vital supplies to villages and our farmers following the devastating earthquakes of 2015, as well as to provide hands-on support in rebuilding production facilities so people could continue to work and earn a living. Our founder has also volunteered at Health Camps in Nepal, supporting the locals up in the mountain. You can read more on our <u>Trade - not</u> Aid mantra here.





Our Nepali Lokta Paper boxes continue to have a direct impact providing relief to the earthquake-damaged regions and supporting around 1300 people in the area of Jiri. You can read more about the earthquake relief work our Founder/CEO has done in Nepal in the blog series on our website.

#### COMMUNITY & CHARITABLE **SUPPORT**



### **Ch**\*IdFund





We have donated to schools and orphanages in the Philippines and Nepal. This year we opted to support projects in Ukraine financially due to the apparent urgencies. Over the years, our founder has supported up to a dozen children at a time through Childfund. Over the past two years, we have yet to be able to travel to support the communities in the way we have done previously. However, we are currently planning future initiatives to provide community and charity support to more supply chain communities (for example, Cambodia, Vietnam, and Bhutan).

In addition to our support of global supplier communities, we also support our local communities groups - the Muriwai Volunteer Fire Brigade in Aotearoa, New Zealand. We do this primarily through procurement from local suppliers for most of our packaging, marketing materials, and some locally grown products (Avocado oil, Manuka, and Kanuka). As a priority, we employ from within or, if required, our neighborhood to support our local economy and reduce emissions that our people might have had while traveling into town for work daily.

Further, we actively support local community and local Schools, as well as national charitable organisations Woman's Refuge and Hospice through the donation of products. We focus our support on smaller projects and organisations where we know we can make a more significant impact and only have a little funding to ask for help.

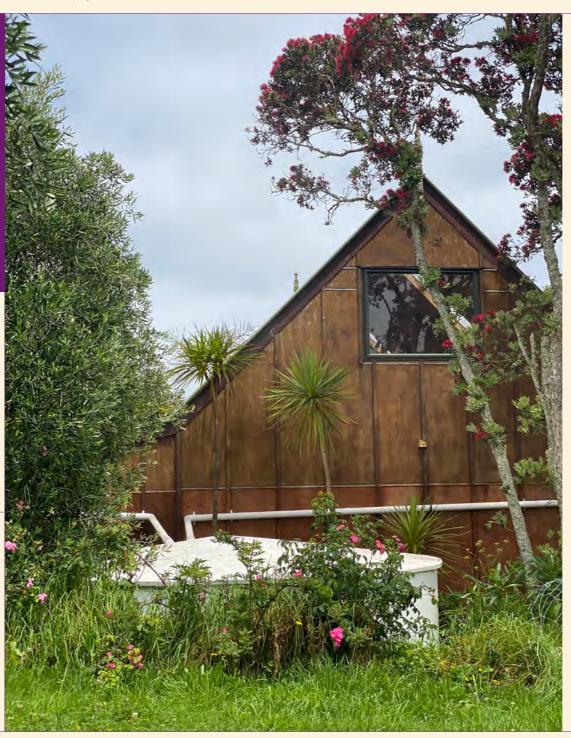
For any events or webinars we host, we use ticketing partner Humanitix, a charitable trust who donates 100% of booking fee profits to fund education projects for the world's most disadvantaged children to close the global education gap.





## OUR OPERATIONS & LOCAL IMPACT

We operate out of a 16-acre property in Muriwai Beach, northwest of Auckland, New Zealand. 'Local' to us means the wider Auckland Region.



100% of the water we use onsite is from rainwater - we have three 6000-gallon tanks (capable of holding around 82,000 litres) on site. The only water we use in production is while cleaning the bottling equipment, although we don't measure this currently. Our other uses of water are for drinking and grey water.

We schedule our production runs to sequence similar products allowing us to minimise water usage for cleaning. We do not measure our water discharge or consumption. We operate two septic tanks with an onsite drainage system, discharging into our soils. None of what we discharge is harmful to the environment.

# OUR OPERATIONS & LOCAL IMPACT

We have planted over 100 native trees every year since 2002, increasing soil health and biodiversity.

We have been planting at least 100 NZ native trees a year on our site since we moved there in 2002 and now have thousands on the property, contributing to the restoration of the area and increasing biodiversity and soil health. We work to protect this area and create a habitat for native birds by conducting pest trapping on the property. This trapping work also contributes to the protection of the local area of Muriwai Beach Community. It supports projects by the <a href="Muriwai Environmental Action Group">Muriwai Environmental Action Group</a>, including protecting the habitat for <a href="Little Blue Penguins">Little Blue Penguins</a> and the <a href="Gannet Colony">Gannet Colony</a>, which is one of only six in the world.

We take active measures to minimise waste generation and waste-related impacts in our operations.

Our fragile glass bottles come wrapped in recycled plastic, which we send to soft plastics recycling. Any unwanted paper or cardboard we can't reuse gets recycled or shredded to use as mulch for our compost around fruit trees.

Our oils are received in plastic or metal drums; once empty, these are reused or repurposed – we are giving these to our local Scouts group, who are using them for activities like building rafts or pony clubs for jumps, etc.

Our planned production run schedule minimises oil waste. We give our first pumps (the first run through our machine of a new batch), which we do not sell to assure accuracy, to staff or use in-house instead of throwing them away.

Any other materials from our operation are recycled, composted, or used to feed our worm farm. We have one rubbish bin on site for the business and two households and strive to reduce its size by half as we continue to minimise the materials we send to landfills.







# OUR IMPACT ON HEALTH & WELLBEING

Worth every cent.

Our reputation for quality delivers premium value to both customers and the planet. Working with the top 4% of ingredients from around the globe we've been relentless in our pursuit of category excellence.

The health and well-being of people are at the centre of why we exist. Our founder/CEO started Absolute Essential with the vision to make a positive and permanent difference on all people's lives, from the farmer to the consumer.

We have a positive impact on communities at the source by establishing **Trade - not Aid**, educating them about business practices, and leaving 10% of the product in the community to use on their health. Setting these communities up with a source of income and knowledge of how to manage it, in turn, supports their health and wellbeing. In addition, the work we do on educating on harvesting and using distilling equipment supports the prevention of injury or accident.

Here's some of the fantastic feedback we have received from our customers about the positive impact our products have had on their health and well-being We also positively impact the health and well-being of our employees by providing a healthy working environment (for example, outdoor spaces to take breaks), flexible working and flexible leave options available, and taking time to celebrate and appreciate. We also educate our employees on the ways in which they can live a healthy, sustainable lifestyle.

Finally, our products positively impact our customers' physical and mental health and well-being. Essential oils are used globally to provide a modern form of complementary healing for physical and psychological ailments. Each of our oils is distilled or extracted using a slower

processing methodology, producing a higher quality product with more precious, health-boosting phytohormones retained. When the aromatic molecules of our oils are inhaled, they make contact with olfactory cells - these are specialised nerve cells that then produce nerve impulse that travels to the limbic system, where emotional and physiological systems are regulated. We also promote health and well-being initiatives and provide information to our consumers through our newsletters, eDM, and webinar series, which tackle topics such as managing stress and sleep and preparing for season changes. You can read more about the health and well-being impact we have through our products <a href="here">here</a>.



"This lovely product makes me feel more comfortable about my skin texture and appearance."

John, Hong Kong

"I have noticed a significant improvement in my skin appearance and feel more confident in general."

Rose C., New Zealand

"Lavender oil to help me overcome insomnia. It is by far the best; it is very effective in aiding sleep."

Karen B, New Zealand

"Help soothe anxious feeling...replaced with feelings of self-love and respect."

Jennifer V, New Zealand

"Very useful in combating tension and sinus headaches."

Bronwen W, New Zealand

"Great for muscle aches and pains."

Gina Y, New Zealand

"My very dry and fragile skin improved greatly."

Judy, Germany





# PACKAGING & MATERIALS

We need to consume less in quantity and more in high-quality, effective products. We, as consumers, need to demand manufacturers use materials in their production with a lesser environmental footprint and support those who do with a purchase. On the other hand, brands who want a future need to lead this innovative space and will be rewarded with a considerable advantage over their competitors.

Materials ending up in landfill contribute to environmental degradation, pollution, and carbon emissions and are a terrible waste of resources. Using new materials for products and packaging also has significant environmental impacts, whether through the exploitation of natural resources or the energy used and emissions generated in production processes.

We have evolved our processes and packaging to have as small an environmental impact as possible, continuously challenging the status quo and investing in innovation.



## PACKAGING & MATERIALS

From demolition concrete labels to completely compostable packaging solutions, sustainable practices have always run deep through our entire business – and always will. The primary sources of material inputs are drums of oils, glass bottles and jars, dripulators and lids, product labels, diffusers, and cardboard packaging. We have visibility of all material inputs and outputs of our business but only formally record these volumes. However, we have been able to estimate the total weight of materials that were used to produce and package our primary products for the reporting period - this was approximately 11,300kg. The information was calculated based on the data from our freight partners during the reporting period.

We have not recorded sufficient data for reporting on the percentage of packaging materials that are recycled or reclaimed. However, we can provide the following information about the materials used to package our products. Our glass bottle supplier in Germany produces and supplies mainly for the pharmaceutical industry, with strict hygiene requirements, and hence is not allowed to use any recycled material in the products. For hygiene reasons and the medicinal grade of our products, we do not take back our bottles for reuse. These bottles are typically accepted in curbside recycling.



All of the labels we use on our bottles and containers are made from Rockstock. This label stock is a tree-free mineral paper manufactured from milled quarry waste (demolition concrete) using no water and minimal energy; it is non-toxic and has low GHG emissions.

### PACKAGING & MATERIALS

T

Our shipper boxes won the Natural Health Products NZ Cawthron Institute Innovation Award in 2020.

Our packaging for shipping orders has evolved over time to design out waste. We have worked closely with our cardboard engineer in Auckland to create a shipper made of 100% recycled cardboard that doesn't need any plastic tape and is fully compostable. It even won the Natural Health Products NZ Cawthron Institute Innovation Award in 2020. To maximise impact we want this packaging concept to be adopted globally. We are delighted to share the IP for our design; all we ask is for a small donation to the orphanages we support. If interested, contact customerservice@absoluteessential.com for more information.

We use compostable packing chips made from water-soluble corn starch, and all branding is printed on boxes using sustainable inks instead of plastic stickers.

All our marketing materials (information booklets, posters, catalogues) are printed on paper from renewable and sustainable resources using natural inks that are disposed of responsibly.

As of 2022, we have ceased printing our newsletter, and forms and moved to digital only. All our display and catalogue stands for our retail stockists (approx. 350) are made of certified natural bamboo. We have a contract in place with our retailers to return the stands at the end of use so that they can be refurbished and used again.







# ENERGY & EMISSIONS

Driving change before it's too late.



# ENERGY & EMISSIONS

As of late 2022, we implemented CarbonClick through our Shopify site. This enables our online customers to offset the carbon footprint of their purchases and provides us with visibility around the impact of our products.





Greenhouse gas (GHG) emissions are driving catastrophic global climate change. People in developing countries are often the worst hit by this changing climate as more extreme weather events damage homes and infrastructure and have devastating effects on food and water sources. These climatic changes are having an impact on some of the regions we source from, for example, in Somalia, where severe droughts and water shortages are being experienced, displacing 670,000 by early March 2022 <u>UNICEF 2022</u>. Even in much of Europe, record temperatures are being felt, and the frequency of heatwaves and floods is increasing.

We need to map our emissions and energy consumption; as a small business, we have limited resources for this. However, we do take the steps we can to reduce our impact.

We use Meridian Energy as our electricity provider at our operation site in Muriwai. Meridian generates electricity through 100% renewable sources - wind, water, and sun. For the reporting period, our total energy consumption was 29530 kWh, an average of 2460 kWh/month, an energy intensity of 0.19 kWh per SKU. This energy consumption includes our business operations, heating and cooling, and on-site residential premises. Over the years, we have made changes to increase our energy efficiency, including wool insulation and double glazing. In 2022 we changed to a compressor-run machine to fill, cap, and label our bottles. This is expected to reduce our energy consumption; however, it is not measured in this reporting period.



## **ENERGY** & EMISSIONS

We will be opting for freight providers that are taking measures to reduce their GHG emissions.



and will transition to hybrids for the sales team if cars are required. Our air travel is offset, and since Currently, the majority of this outward freight is 2002, we have planted a native tree for every 200 miles of air travel. Due to Covid, we did not conduct each of these providers for information about international air travel during the reporting period. our related emissions, and while none were able Before the pandemic, we would typically make 2 to 3 trips per year to our supplier regions, visiting multiple locations per trip to reduce our need for excess air travel.

The location of our operation in New Zealand relative to the source of our raw products, bottles, and other packaging, and also relative to our end users, does mean we have a reliance on national and international freight (by land, sea, and air). We try to minimise the impact of freight in our supply chain through planned ordering procedures and the use of supplier cooperatives (amalgamation points), meaning we are shipping from fewer international locations. All our products are distilled at the source, removing the need to transport raw materials to an additional site.

We have an electric vehicle for local business travel For our outward freight, we use providers Courier Post, DHL, Mainfreight, Jacanna, and Toll. within New Zealand and Australia. We contacted to provide us with the information at the time. some have acknowledged it is a service they are either piloting or looking to develop for their customers in the future.

> We recognise it isn't easy to have control or influence over this, but we want to do all we can to manage this impact in the future. We are limited in our options for selecting freight providers due to our geographic location. However, we will be continuing conversations to understand better what our impact is and help us make informed decisions about the providers we choose to use.

We will be opting for providers that are taking measures to reduce their GHG emissions and commit to sustainability. As of late 2022, we implemented **CarbonClick** through our Shopify site, enabling our online customers to offset the carbon footprint of their purchases and providing us with visibility around the impact of our products.

This reporting process has helped us identify the data we need to collect to understand and map our carbon footprint. We will be engaging a carbon mapping specialist for this moving forward and will report our progress in our next report while continuing to focus on reducing our emissions regardless.

## NGA MIHI - THANK YOU

We are excited to continue on this journey to report on our impacts and we look forward to you following along.

## We thank you for taking the time and interest in reading our first Sustainability Report

Through the process to produce it we have discovered further opportunities for supporting sustainable development as well as the actions we can take to make progress toward our next report in two years time.

#### These actions include:

- Continuing to make inquiries into how we can take action to remediate any negative impacts we might have on people and the environment by continuously improving the way we do things
- Further development of our governance structures, including the non-executive advisory board that was established in 2022
- Establishing formal documentation for screening our suppliers on environmental and social criteria, including human rights
- Establishing mechanisms for measuring water use and discharge at our site of operations
- Establishing mechanisms for measuring our material use and disposal
- Continue our local and overseas community projects and start new ones
- Mapping our baseline carbon footprint, set ourselves reduction targets and an action plan to achieve them





#### APPENDIX 1 -SUSTAINABILITY PLAN EXAMPLE

#### An excerpt of our 2014 Sustainability Plan.

We started developing these plans in 2004 and still do so every year as we continue to develop our sustainability strategic capability.

Absolute Essential Sustainability STRATEGIC CAPABILITY 2014						Absolute Essential Sustainability STRATEGIC CAPABILITY 2014					
AE Packaging	Year OBJECTIVE	ACTIONS - for this year	Hours	Who	Sched	Done	Year RESULT	Product	Start Date	Start Result	Latest Result
		1st Quarter 2014 : Design Stage		Design	March	Yes	At the end of	Absolute Essential Redesign	2012	T	T
Produce At the end of		Research paper, cleaness, performance					the year we	All Marketing & Sales Material to be			·
		2nd Quarter 2014 : Design Stage		Printer	March	yes	achieved a	redesigned and market ready			
sophisticated 100% Ecc-	the year we will	Review Packaging Processes					100% Eco	by end 2014			
friendly	be only selling	Design Labels, Review Label Paper, Test		Design	April		design, repacked all,	Managed release to new packaging into			2014
Packaging for	AE products in	3rd Quarter 2014 : Production Stage		Label	May	yes	recycled all old	the market with Zero Waste Policy			
finished New Packaging		Manage Change in IT Overprinting systems		O'doc	July		packaging &	Sell through, reuse, recycle,			
products		Manage Zero Waste with old packaging		AE	Aug		found solutions				
Buy commercial Shredder to use as mulch AE Sert yes by: Just in time								<u> </u>	L	L	
AE Instore Displays	Year OBJECTIVE	Sustainability STRATEGIC CAPABILITY  ACTIONS - for this year	/ 2014 Hours	Who	Sched	Done	Year RESULT	Sustainability STRATEGIC CAP	Start Date	Y 2014 Start Result	Latest Result
							At the end of	Absolute Essential Redesign	2014	r	T
Design &	At the end of	DisplayUnits		Design		Yes	the year we	Display Stand Solution			
Produce	2014 we will			1			achieved a	AE Retail Product presentation instore			
sophisticated present the		Find material which meets sustainability		Buster	Oct		Perfect Display	On Brand	1		
100% Eco Displays for	Market with a 100% Eco-	design it so it can be utilised and modified			Nov	yes	Design Solution	100% Eco-friendly			
brand	friendly flexible	Meeting Zero Waste Goal		AE	************	***************************************	which met all	Reusable, Recyclable, Desirable			2014
presentation	Display	Eco-friendly material, multipurpose,		7ipfer	Dec	yas	our	Assist Sales impact meassured 2015			2015
instore	Solution	offer to customers free return freight to		AE			sustainability				
		encourage recycling					Goals				
		Sustainability STRATEGIC CAPABILITY	7 2014					Sustainability STRATEGIC CAF	ABILIT	Y 2014	
Waste Management	Year OBJECTIVE	ACTIONS - for this year	Hours	Who	Sched	Done	Year RESULT	Environment / Waste	Start Date	Start Result	Latest Result
		Reduce Waste						Reduce non-recycable Waste to Zero			
							Reduced				
Review Waste		Establish a worm farm for food scrapes		AE	Sept	yes	Landfill Waste.	Access packaging from suppliers	2014	going	2015
and access	Reduce Landfill						Improoved	Communicate preferences			
where we can	waste by	Establish different collection bins in ea area		AE	Apr	yes	rubbish	recycle all cartoons			
reduce this	another 15%	Educate the Cleaner re Rubbish distribution		AE	May	yes	collection in	utilise all supplier cartoons for orders			
again		Recycle all supplier boxes for orders		ļ			house	only purchase recycled packaging box			2014
		Only purchase recycled boxes		ļ							

### APPENDIX 1 -SUSTAINABILITY PLAN EXAMPLE

yes yes	Tree Planting and Mainenance Weeding & fertilising Success rate of survival 99% Ongoing  Sustainability STRATEGIC CAI			
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yes	Weeding & fertilising Success rate of survival 99% Ongoing	ABILITY		
	Success rate of survival 99% Ongoing	ABILITY		
yes	Ongoing	ABILITY		
yes		ABILITY		20
	Sustainability STRATEGIC CAI	ABILITY	2014	
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	Sustainability STRATEGIC CAI	ABILITY	2014	
	Sustainability STRATEGIC CAI	ABILITY	2014	
	Sustainability STRATEGIC CAI	ABILITY	2014	
Done Year RESULT	T People / Growing - Harvesting	Start Date	Start Result	La
		Т		_
	Quality control on production process			
VAS	3000-47420003000-4742000-474700000300000000000000000000000000			
organic	noccible			
	Increase production capacity	1		
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	yes grow yes production capacity yes	yes organic production and grow production capacity yes yes capacity yes	yes organic production and graw production capacity yes yes yes	yes organic production and grow production capacity yes yes yes



## APPENDIX 2 -STAKEHOLDER ENGAGEMENT SUMMARY

## A summary of the key topics that were raised during the focus groups and interviews:

#### SOCIAL:

- Support of local community and charitable causes in NZ
- · Human health and well-being, incl. mental health and stress
- · Education of end users
- Supply chain ethics
- Anticorruption and exploitation
- Living wage
- Support of communities at source sustainable income and education

#### **ENVIRONMENTAL:**

- Climate change
- Protection of the natural environment
- Packaging (eco/refillable)/reduce materials to landfill
- Regeneration/Soil carbon
- Energy use/emissions locally and in the supply chain
- Traceability of product/education on bi-product uses
- · Chemical use (none)
- Management of waste e.g., onsite systems
- Product footprint

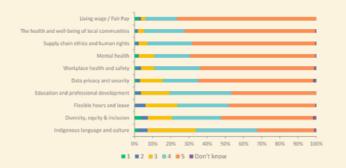
#### **GOVERNANCE:**

- Procurement due diligence
- Lead, influence, and collaborate
- Balance between profitability and sustainability
- · Transparent marketing
- Compliance and regulation
- Diversity (particularly end users)

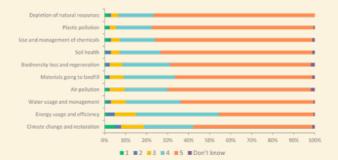
## APPENDIX 2 -STAKEHOLDER ENGAGEMENT SUMMARY

## Consumer survey results - ranking of topics most important to them

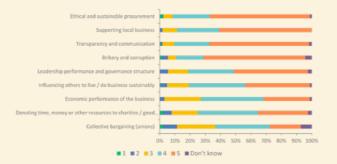
#### SOCIAL



#### **ENVIRONMENTAL**



#### **GOVERNANCE**



## Summary of topics listed in order of importance to our consumers

TOPIC	Weighted
	Average
Living wage/fair pay	4.65
Depletion of natural resources	4.65
Plastic pollution	4.65
The health and well-being of local communities	4.65
Use and management of chemicals	4.58
Soil health	4.57
Supply chain ethics and human rights	4.55
Mental health	4.51
Biodiversity loss and regeneration	4.49
Ethical and sustainable procurement	4.49
Materials going to landfill	4.48
Supporting local business	4.48
Air pollution	4.47
Water usage and management	4.46
Transparency and communication	4.46
Workplace health and safety	4.43
Data privacy and security	4.36
Bribery and corruption	4.33
Education and professional development	4.23
Energy usage and efficiency	4.22
Climate change and restoration	4.20
Flexible hours and leave	4.15
Leadership performance and governance structure	4.15
Influencing others to live/do business sustainably	4.13
Diversity, equity and inclusion	4.12
Economic performance of the business	3.96
Donating time, money or other resources to charities/good causes	3.89
Indigenous language and culture	3.84
Collective bargaining (unions)	3.42



# APPENDIX - 3 GRI STANDARDS DISCLOSURE INDEX

#### **GRI Universal Standards Disclosures**

GRI [	DISCLOSURE	PAGE(S)	GRI DISCLOSURE CONT'D	PAGE(S)
2-1	Organisational details	9	2-15 Conflicts of interest	16
2-2	Entities included in the organisation's sustainability reporting	9	2-16 Communication of critical concerns	16
2-3	Reporting period, frequency and contact point	8	2-17 Collective knowledge of the highest governance body	16,17
2-4	Restatements of information	<b>n/a</b> (first reporting period)	2-18 Evaluation of the performance of the highest governance body	16
2-5	External assurance	8	2-19 Remuneration policies	15
2-6	Activities, value chain and other business relationships	9,10,13	2-20 Process to determine remuneration	16
	·	45	2-21 Annual total compensation ratio	15
	Employees  Workers who are not employees	15	2-22 Statement on sustainable development strategy	6,7,17
2-9	Governance structure and composition	16,17	2-23 Policy commitments	17
2-10	Nomination and selection of the highest governance body	16	2-24 Embedding policy commitments	17
2-11	Chair of the highest governance body	16	2-25 Processes to remediate negative impacts	17
	Role of the highest governance body in overseeing the management of impacts	16	2-26 Mechanisms for seeking advice and raising concerns	17
			2-27 Compliance with laws and regulations	17
2-13	Delegation of responsibility for managing impacts	16	2-28 Membership associations	17
2-14	Role of the highest governance body in sustainability reporting	16	2-29 Approach to stakeholder engagement	19
	· · · · ·		2-30 Collective bargaining agreements	15

# APPENDIX - 3 GRI STANDARDS DISCLOSURE INDEX

#### GRI Topic Standards Disclosures Cont'd.

OUR IMPACT AREA	GRI STANDARD	GRI DISCLOSURE	PAGE(S)
Economic Impact	GRI 3: Material Topics 2021	3-3 Management of material topics	25-28,32-3
	GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments & services supported	25-28,32-35
		203-2 Significant indirect economic impacts	25-28,32-35
Emissions and Energy	GRI 3: Material Topics 2021	3-3 Management of material topics	43-45
	GRI 302: Energy 2016	302-1 Energy consumption within the organisation	44
		302-2 Energy consumption outside of the organisation	44
		302-3 Energy intensity	44
		302-4 Reduction of energy consumption	44
		302-5 Reductions in energy requirements of products and services	44
	GRI 305: Emissions 2016 *	305-1 Direct (Scope 1) GHG emissions	45
		305-2 Energy indirect (Scope 2) GHG emissions	45
		305-3 Other indirect (Scope 3) GHG emissions	45
		305-4 GHG emissions intensity	45
		305-5 Reduction of GHG emissions	45
		305-6 Emissions of ozone-depleting substances (ODS)	45
		305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	45
Health and Wellbeing	GRI 3: Material Topics 2021	3-3 Management of material topics	38
Packaging and Materials to Landfill	GRI 3: Material Topics 2021	3-3 Management of material topics	37, 40-42
	GRI 301: Materials 2016	301-1 Materials used by weight or volume	41
		301-2 Recycled input materials used	41
		301-3 Reclaimed products and their packaging materials	41
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	37,42
		306-2 Management of significant waste-related impacts	37,42
		306-3 Waste generated	37,42
		306-4 Waste diverted from disposal	37,42
ES ON NON DISCLOSURE: * We have not y		306-5 Waste directed to disposal	37,42

# APPENDIX - 3 GRI STANDARDS DISCLOSURE INDEX

#### **GRI Topic Standards Disclosures Cont'd.**

OUR IMPACT AREA	GRI STANDARD	GRI DISCLOSURE	PAGE(S)
Supply Chain Ethics and Human Rights	GRI 3: Material Topics 2021	3-3 Management of material topics	25-32
	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	28
		205-2 Communication and training about anti-corruption policies and procedures	28
	GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	28
	GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	28
	GRI 414: Supplier Social Assessment 2016 *	414-1 New suppliers that were screened using social criteria	28
		414-2 Negative social impacts in the supply chain and actions taken	28
Supporting Local Communities	GRI 3: Material Topics 2021	3-3 Management of material topics	33-35
	GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	35
	GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	33-35
Use and Management of Natural Resources	GRI 3: Material Topics 2021	3-3 Management of material topics	22-24, 36-3
	GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	24,36
		303-2 Management of water discharge-related impacts	24,36
		303-3 Water withdrawal **	24,36
		303-4 Water discharge **	24,36
		303-5 Water consumption **	24,36
	GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	23,24,37
		304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	23
	GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	23
		308-2 Negative environmental impacts in the supply chain and actions taken	23,24

NOTES ON NON DISCLOSURE: \* Although all suppliers are vetted we have not recorded data on this, \*\* Data unavailable

# APPENDIX - 4 CERTIFICATIONS



#### BioGro New Zealand Certificate of Compliance

This certificate confirms that the company and operations listed below are certified by BioGro

Company: Absolute Essential Ltd

250 Oaia Road Muriwai Beach Auckland 0881 New Zealand BioGro Number: 5406

First Certified From: 25 October 2012

Date of Issue: 2 September 2020

#	Operation Name	Operation Facility/Address	Scope of Certification(s)	Products
01	Absolute Essential Ltd	250 Oaia Road, Auckland 0881	Processor	Annex A
02	Absolute Essential Ltd	250 Oaia Road, Auckland 0881	Processor	Annex A

Certification Valid From:

1 August 2020

Renewal Application Due By: 30 April 2021

Anniversary Date / Certificate Valid to: 31 July 2021

For the purpose of USDA NOP & COR: once certified, a production or handling operation's organic certification continues in effect until surrendered, suspended or revoked

This certificate is issued within the scope of the accreditation for product certification issued by the IOAS. Registration number: 23

The above named licensee is licensed to apply or direct the application of the BioGro Certification trademark provided the product has been produced in accordance with the BioGro Organic Standards by the licensee or under the licensee's supervision at the location named in this certificate. While all due care and skill was exercised in carrying out this assessment, BioGro New Zealand Ltd accepts responsibility only for proven gross negligence. This is not a legal document and cannot be used as such. This certificate remains the property of BioGro New Zealand Ltd to whom it must be returned if required.

http://www.jas-anz.org/register

Certification Staff:

Director:

Issuing Office: BioGro New Zealand Ltd Biz Dojo 115 Tory Street Te Aro Wellington 6011 New Zealand Tel +64 4 801 9741 Fax +64 4 801 9742 Email: info@tiogro.co.nz www.biogro.co.nz

RN 2020-1

ZEALS

THE

COMMON

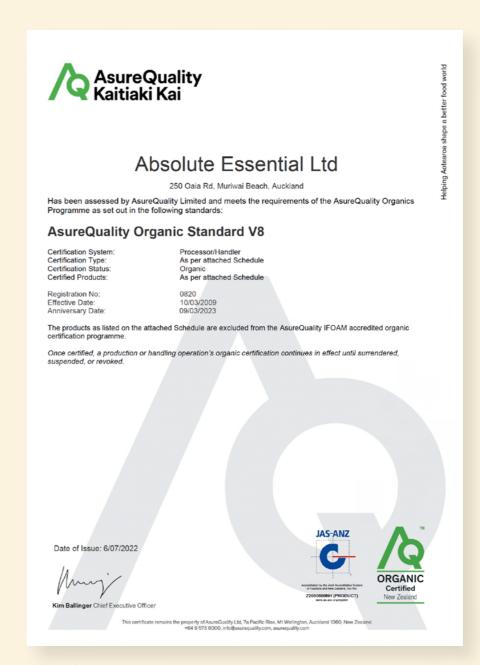
SEAL

Full certification reports available on request.

# APPENDIX - 4 CERTIFICATIONS



# APPENDIX - 4 CERTIFICATIONS



Full certification reports available on request.